BRISTOL+BATH



Bristol

Development and Investment Hotspots

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Bristol and Bath Science Park

Foreword

I am delighted to have the opportunity to present to you in this document a range of investment opportunities in Bristol. All are multi-million pounds in scale, covering a variety of themes including housing, transport and heritage renewal projects. Some are investment ready. Other projects are at an earlier stage but substantial in size. I am keen to give you an early sighting of them and invite you to discuss with me how we could work together to take them forward.

Bristol is a successful city, with one of the highest rates of productivity in the UK. We have strengths in many key growth sectors, including aerospace, creative industries and digital technology. We have a diverse and highly skilled workforce and offer an excellent quality of life. I am working with partners across the city and we are ambitious about what we can achieve and want to ensure that all our citizens can benefit. This package of investment projects will play a critical part in helping us deliver against these aims.

I am eager to develop firm and long lasting investment partnerships with you that deliver for the people of Bristol and look forward to beginning discussions with you.

Marvin Rees
Mayor of Bristol

Investing in Bristol

Welcome to a £32bn economy.

Bristol is an economic powerhouse for the UK, the fastest growing of any major UK city and as part of the Bristol and Bath region generates £32bn per annum.

Often voted as among the best places to live in the UK, we are recognised as a world class centre of research and innovation, a smart city that is transforming places and industry around the world.

We are rich in knowledge with four world class universities and are the region with the highest proportion of well-educated citizens in the UK.

We are well located. Only 78 minutes from London and Heathrow, with one of the fastest growing and busiest airports and a strategically located deep-water port.

We are predicting consistent economic growth of 3% year on year over the next 10 years.

- **£32bn** economy
- **£10bn** annual contribution to the Treasury
- **£1bn+** investment already in place over the next two decades
- **£2bn+** GVA if devolved powers are secured
- **£242m** for major schemes in Bristol, Bath and Weston-super-Mare (2011-18)
- **78 mins** Bristol-London by train thanks to 2018 electrification
- **No.1** best major UK city for quality of life

Following regional devolution in the UK, the city region now has the ability to control its own growth. £1bn invested by Government to add to the £750m of supporting infrastructure investment is opening up opportunities for investors to join in and be a part of our extraordinary global success story.



Key Reasons to Invest

We are the fastest growing city region in the UK and a global leader in technology and engineering clusters. We have been rapidly transforming infrastructure to accommodate this growth.

Bristol has the vision and strategy to grow – with Government and private sector backing to make it happen.

Unlocking land and commerce

A long term plan built around investment and regeneration in key locations that is now paying true dividends and reshaping the region.

- **£1bn** devolution deal for the West of England
- **£1.5bn** anticipated total investment by YTL in Filton Airfield
- **£1bn** for Weston-super-Mare regeneration
- **£180m** invested in the Bristol & Bath Science Park
- **£160m** investment to unlock strategic sites in Temple Quarter
- **£300m** investment in Temple Quarter by the University of Bristol
- **£100m** investment to unlock over **£1.5bn** opportunity in Bath's most strategic riverside site

Boosting skills and employment

Bristol and Bath is renowned for the talented workforce, high-calibre graduates and expansive staff catchment area.

- **42m** people live within 150 miles
- **4** top universities
- **10,000** graduates every year
- **Most** skilled workforce of any English Core City
- **Over 80,000** jobs to be created between 2016-2036 in Bristol and surrounding areas
- **9 out of 10** residents work locally

Faster transport and connectivity

Investment in motorways, trains, the international airport and port and the region's broadband network will take your business further - faster.

- **100+** flights per day and a growing list of destinations from Bristol airport
- **4** motorways affording fast access to all UK regions
- **£2.5bn+** investment in upgrading the rail-link to London
- **Frequent** Bristol to central London train service
- **£200m** Greater Bristol MetroBus transport upgrade
- **Faster broadband:** Bristol has faster broadband speeds than the national average
- **£450m** investment in the region's deep sea port

Expanding centres of excellence

The region's key sectors are all benefiting from higher flows of public and private sector investment constantly improving the region's global impacts.

- **No.1** smart city region in the UK (Huawei 2017)
- **No.1** region for high value manufacturing (Advanced Manufacturing 2017)
- **Most productive** and highest density tech cluster in the UK
- **£40m** investment in future wing design by Airbus and the UK Government
- **£60m** investment in automotive research by the University of Bath
- **£43m** being invested in Quantum Research Technology by the University of Bristol
- **£580m** invested in the region's top tech businesses in five years



Investment Opportunity: Western Harbour

Introduction:

Regeneration and infrastructure works are revitalising key parts of Bristol's historic harbour, creating new riverside housing development opportunities at the same time as providing vital climate resilience through flood defence renewal.

Background:

The Western Harbour is a key element of Bristol's floating harbour. It is the cultural heart for leisure and entertainment and is increasingly recognised as a highly desirable location for residential development.

With views of Brunel's world famous Suspension Bridge, the stunning Bristol Gorge, Bristol Harbour, the city centre and the open green expanses of Ashton Court, the Western Harbour is one of the most desirable development locations in the UK.

The Western Harbour road system built in the 1960's covers large parts of this area and prevents development in this prime, historic location. Removal of the heavy road infrastructure and replacement with less high impact options will release 15-20 hectares of developable land. The opportunity exists to combine this with works to support the delivery of a tidal flood risk management strategy for central Bristol, to improve access to the historic harbour running through the heart of the city whilst providing essential flood defences resilient to climate change.

Key features

- Developable land 15-20ha
- The area has the potential to provide 3,500 homes, plus commercial and leisure space
- The residential elements alone have a gross development value estimated at over £1 billion
- Land ownership - 75% Bristol City Council with intention to purchase remaining land
- Sustainable development – seven minutes segregated cycle ride to city centre, 25 minutes walk
- New Metrobus Rapid Transit route link to city centre and Bristol Temple Meads national railway station launching in 2018
- Good links to strategic road network



Investment Opportunity: Bristol Temple Quarter City District

Introduction:

One of the UK's premier regeneration (housing, education and commercial space development) and infrastructure programmes, including the modernisation of Temple Meads Station - one of the world's most significant operational railway stations.

Background:

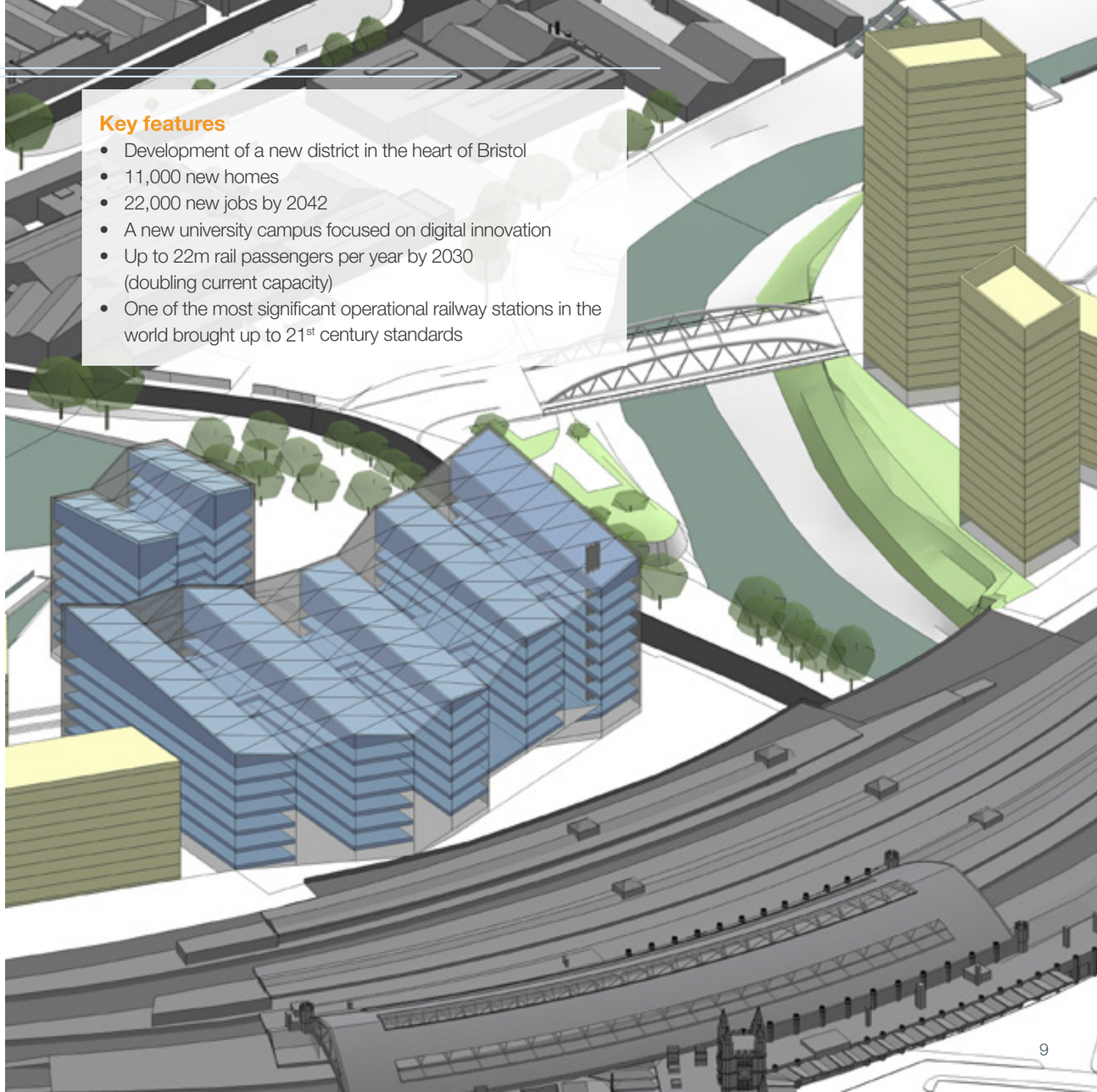
Bristol Temple Quarter is Bristol's principal growth area. Temple Meads Station sits at its heart and Government investment in the main line to London will bring new, more frequent, higher capacity and faster rail journeys to Bristol from December 2018. A new city centre campus for the University of Bristol will open next to the station in September 2021.

Significant investment opportunities will continue to arise throughout the life of this 30 year project, working in partnership with public sector bodies to deliver significant housing and commercial schemes.

Temple Meads Station redevelopment

Temple Meads Station is the principal station for Bristol city centre, providing rail connections to London and Wales as well as to the north and south of England. One of the oldest operational railway stations in the world, the station is recognised as one of the UK's foremost heritage buildings.

Major investment is being made in the railway network, with £5 billion invested in upgrading the line to London, shortening journey times and increasing the frequency and capacity of services by 50%. £300m of investment is also going into improving commuter routes in the Bristol area centred on Temple Meads. The station needs upgrading to handle this growth. Early feasibility work suggests approximately £450m may be required presenting an opportunity for private sector investment.



Key features

- Development of a new district in the heart of Bristol
- 11,000 new homes
- 22,000 new jobs by 2042
- A new university campus focused on digital innovation
- Up to 22m rail passengers per year by 2030 (doubling current capacity)
- One of the most significant operational railway stations in the world brought up to 21st century standards

Investment Opportunity: Private Rented Residential and Student Housing

Introduction:

Bristol City Council is seeking to develop transformative new models of delivery for residential developments.

Background:

A combination of consistent economic growth and popularity as a city to live in has created a strong growth in the residential market creating significant price inflation.

The demand for housing is still increasing and there continues to be an undersupply of new homes for ownership and rent. House prices rose by 11% in 2015, well above the 6.4% average for England and Wales and just behind London's growth of 12.4%, according to HM Land Registry.

The Private Rented Sector (PRS) has been proven in London and Bristol currently has around 1100 PRS flats in the pipeline. The majority of this new stock is in the city centre. Bristol also has a proven track record of institutionally funded and managed student accommodation.

The PRS model is typically new medium to high density developments where all the properties are built for rent. The business model for the PRS development expects that in 15 or 20 years time more people will rent in the UK rather than own their homes.

PRS investors will benefit from rising Bristol rents and the value of their assets increasing over time as property prices continue to rise steadily. For this reason, institutional investors are increasingly attracted to the non-volatile PRS market as a long term investment vehicle. The majority of the Bristol PRS schemes are forward funded with institutional investors.

Key features

- Bristol City Council land available throughout the city for PRS development
- Bristol City Council actively promoting and bringing forward schemes suitable for PRS
- Strong economy and projected population growth creating demand for property
- Additional PRS operator demand in the city
- Attractive long term PRS investment opportunities available in the city
- Demand also exists for residential accommodation for 3,000 - 5,000 students



Investment Opportunity: Bristol Metro

Introduction:

Transport infrastructure investment with strong links to housing growth and development and employment creation.

Background:

Bristol and the surrounding metropolitan area is the only major British city without a major rapid transit system. The Metro will deliver high speed, high quality, high frequency transport capacity to the region driving productivity increases through congestion and journey time reduction. Growth will come from re-purposing planned and existing housing and employment sites. All system types will be considered but it is expected that some degree of underground running will be required.

Funding of the project will be through a mix of sources, making use of locally generated funds as well as central grant funding and private sector investment. Policy measures will drive patronage and usage as well as providing funding.

Key features

- System length 40-45km
- Initial cost estimate £2.5-4.5bn dependent on system type with £1.5 to £2bn sought from private sector funding partner
- Potential patronage 30-50m trips per annum
- Potential for income over and above operating costs to be explored
- Medium to high cost benefit ratio

Early Sighting: Modern Methods of Construction

Introduction:

The construction industry needs to expand productivity substantially just to deliver the existing pipeline of UK infrastructure projects. Scaling up to build 1m new homes by 2021 and up to 300,000 each year thereafter offers a further challenge and opportunity. Off-site manufacture creates the opportunity to meet the demand.

Background:

The Government has provided a clear intent to promote Modern Methods of Construction (MMC). It has called on industry to embrace change and address major industry capacity constraints.

Bristol City Council intends to secure pipelines of demand for off-site manufactured homes of all kinds, including volumetric, panellised, pop-ups, etc. It will assist with identifying and investing in factory space and establish clear links between industry and training providers.

The UK needs to attract investment in innovation and production facilities, working with local authorities and other parties to secure supply, training and mortgageability and build accreditation.

Key features

- Significant opportunity for investment
- 120,000 new homes required in the city region over the next 10 years
- Bristol City Council willing to enter agreement with investors to guarantee market demand
- Possibility of co-investment in factory site and development of appropriate skills for workforce

Early Sighting:
Smart City Bristol

Introduction:

Bristol is recognised as the UK's leading Smart City (Huawei Smart City Index 2017). This acknowledgement has come as a result of our unique research and development infrastructure, the strength of its cross sector partnerships and a codified strategy to work with citizens and communities.

Background:

The combination of assets, experience and insights has produced a powerful city-scale laboratory. This city-wide test bed laboratory is open to businesses and authorities everywhere for large scale, real world experimentation to develop, test and validate multiple new fixed and wireless technologies, smart products and services.

The city has developed particular expertise in Smart Energy, Smart Mobility (including autonomous vehicles) and Smart Data and has recently launched a world leading integrated operations centre, bringing together key service providers in the city. User focus is a key component of the Smart City programme as set out in "The Bristol Approach".

Bristol is Open

Bristol is Open seeks partners from around the world, including large telecom and software companies, small hi-tech start-ups, public service delivery organisations, academics and others to undertake comprehensive research and product development for emerging technologies and services.

Bristol is Open is a commercial joint venture between the University of Bristol and Bristol City Council. It manages the city's unique Smart City testbed infrastructure.

This is composed of a high-speed fibre optic ring, overlaid by an IoT mesh network and a showcase wireless zone using a range of wireless technologies, including Wi-Fi, 3G, 4G, LTE and 5G. Software Defined Networking technology enables participants to access an independent and scalable slice of the network to work with.



Early Sighting: Low Carbon Bristol

Introduction:

Bristol aims to attract partners to deliver £800m to £1bn of low carbon energy infrastructure investment over the next ten years to ensure that Bristol remains on its pathway to meet its 2050 carbon neutrality target.

Background:

Bristol City Council has been working across a range of energy and sustainability policies, programmes and projects for over a decade, including implementing loan programmes for energy efficiency, installation of PV, wind turbines, bio-mass heating systems, energy efficiency street lighting, sustainable urban drainage systems and smart technology systems.

The city just surpassed its goal of 50% reduction in carbon emissions from its operations (based on a 2005 baseline), delivering a 60% cut in 2016/17.

However, we are seeking to increase the scale and pace of these projects through partnership, joint ventures and investment. In early 2018, we will be releasing a prospectus to enable organisations and companies to discuss with the Council and city partners their proposals and thoughts ahead of a formal partnership tender to be released in Spring 2018.

Key features

- The Bristol Heat Network - development of heat networks. Cost up to 2027 is circa £306m
- Grid and smart demand-side projects - to develop significant demand-side measures on the local electricity network and to increase the take-up of embedded generation and smart appliance systems. Cost up to 2027 is circa £110m
- Marine energy - Collaboration with the South West Marine Accelerator Programme to invest in and develop an array of projects and technology
- Domestic energy efficiency - investment in loans for private housing to carry out retrofits. Cost up to 2027 is circa £271m
- Commercial energy efficiency - low cost loans for small and medium sized enterprises. Cost up to 2027 circa £100m
- Renewable electricity generation across the city – up to 2027 circa £40m
- Electric vehicle charging infrastructure across the city – cost estimation currently in development
- We expect return rates to be consistent with long-term infrastructure and pension fund investment



Projects Delivered


Chocolate Factory


Glass Wharf


Law & Professional Services Academy


Finzels Reach


Horizon 38

Coming soon


University of Bristol, City Campus


Filton Airfield


Assembly


IAAPS


Bath Quays North

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BRISTOL+BATH

BRISTOL
CITY COUNCIL

WE ARE
WEST OF ENGLAND
LOCAL ENTERPRISE PARTNERSHIP

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